

**I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN  
2011 (SECOND) Regular Session**

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EPM

Bill No. <sup>131-31</sup> (45)

**Introduced by:**

Committee on Rules, Federal, Foreign &  
Micronesian Affairs & Human & Natural  
Resources

By request of *I Maga'lahaen*  
*Guåhan* in accordance with the  
Organic Act of Guam

**AN ACT TO REPROGRAM \$60,088,935 IN GENERAL FUND  
APPROPRIATIONS FROM OBJECT CLASS 111 AND 113  
FROM THE GUAM DEPARTMENT OF EDUCATION FY 2011  
BUDGET FOR CAPITAL IMPROVEMENT PROJECTS  
(CIPS), TECHNOLOGY UPGRADES AND SCIENCE,  
TECHNOLOGY, ENGINEERING & MATH (STEM) CIPS AND  
EQUIPMENT PROJECTS**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **SECTION 1. Legislative Statement and Intent.** The 111<sup>th</sup> United States  
3 Congress enacted the American Recovery and Reinvestment Act of 2009 (ARRA)  
4 for the purpose of providing economic stimulus and relief to states and taxpayers.  
5 The primary goal of ARRA is to provide a quick infusion of cash to state and local  
6 governments for the preservation and creation of jobs, thus stimulating the  
7 economy. A majority of ARRA funds must be obligated by September 30, 2011  
8 and expended by December 31, 2011. *I Maga'lahaen Guåhan* and *I Liheslaturan*  
9 *Guåhan* intend to address the fast approaching deadlines to obligate and expend

1 ARRA funds while protecting the original purpose of the funds, namely the  
2 creation of jobs by spending on approved capital improvement projects.

3 *I Maga'lahaen Guåhan* and *I Liheslaturan Guåhan* find that the U.S.  
4 Department of Education (USDOE) approved the Guam Department of Education  
5 (GDOE) ARRA State Fiscal Stabilization Fund (SFSF) Phase I and Phase II  
6 application which budgets Seventy-Five Million Seven Hundred Eighty-Two  
7 Thousand Seven Hundred Eighty Four Dollars (\$75,782,784) for the following:  
8 Capital Improvement Projects, Technology Upgrades, Financial Management  
9 Information System (FMIS) and Consultant Services, Third Party Fiduciary Agent  
10 Consultant Services, and Science Technology Engineering and Math (STEM)  
11 Capital Improvement Projects and Equipment. The GDOE expects difficulty in  
12 obligating and expending the ARRA funds prior to the established deadlines.  
13 Failure to obligate or expend the funds within the established deadlines will result  
14 in forfeiture of the funds and a missed opportunity to accomplish the original  
15 purpose of ARRA. To avoid the forfeiture of funds, *I Maga'lahaen Guåhan*, *I*  
16 *Liheslaturan Guåhan* and GDOE have requested that USDOE allow the  
17 Government of Guam to reprogram \$60,088,935 in ARRA SFSF ESF funds for the  
18 payment of FY2011 personnel costs. In consideration of this reprogramming, the  
19 Government of Guam will redirect funds in an equal amount to GDOE to fund the  
20 projects originally slated to be paid with ARRA funds. *I Liheslaturan Guåhan*

1 intends that expedited procurement procedures contained in P.L. 31-12 shall apply  
2 to these redirected funds.

3 USDOE has tentatively approved such reprogramming, pending legislation  
4 that commits the aforementioned amount of \$60,088,935 in funds for projects  
5 originally approved in GDOE's SFSF Phase I and Phase II applications. USDOE  
6 has unequivocally stated that said reprogramming of funds may not occur unless  
7 this legislation is enacted first.

8 **Section 2. Reprogramming of Guam Department of Education (GDOE)**  
9 **Appropriations.** A new Section 17 is added to Chapter II, Part I of Public Law  
10 30-196:

11 Upon concurrence of the United States Department of Education to amend  
12 the GDOE Phase I and Phase II ARRA SFSF ESF grant applications to reprogram  
13 Sixty Million Eighty-Eight Thousand Nine Hundred Thirty-Five Dollars  
14 (\$60,088,935) from Capital Improvement Projects, Technology Upgrades and  
15 Science, Technology, Engineering & Math (STEM) CIPs and Equipment towards  
16 FY2011 regular salaries and benefits of GDOE school-based teachers,  
17 administrators and support staff, the same amount of Sixty Million Eighty-Eight  
18 Thousand Nine Hundred Thirty-Five Dollars (\$60,088,935) is hereby re-  
19 appropriated from the General Fund in Chapter II, Part I, Section 2 of this Act,

1 from Object Classes 111 (Regular Salaries) and 113 (Fringe Benefits) to Object  
2 Classes 230 (Contractual Services), 250 (Equipment) and 450 (Capital Outlay).

3 Funds appropriated in this Section shall be used solely for Capital  
4 Improvement Projects, Technology Upgrades and Science, Technology,  
5 Engineering & Math (STEM) CIPs and Equipment projects identified in GDOE's  
6 approved Phase I and Phase II SFSF ESF grant applications. Funds appropriated  
7 shall be a continuing appropriation and shall remain available until expended;  
8 however, all funds shall be obligated no later than September 30, 2012.  
9 Furthermore, and in order to ensure compliance with Maintenance of Effort  
10 conditions for the ARRA SFSF and Education Jobs Fund grants, the  
11 aforementioned funds shall not be subject to allotment reserves by the Bureau of  
12 Budget and Management Research nor shall they be subject to the Governor's  
13 Transfer Authority.

14 The GDOE Superintendent shall have the authority to make aggregate  
15 transfers not exceeding ten percent (10%) of the total amount of funds transferred  
16 by this Act among existing direct cost categories or separately budgeted programs  
17 or projects.

18 **SECTION 3. Consideration as ARRA funds.** Funds transferred by this  
19 Act shall be considered ARRA funds under P.L. 31-12. The protest procedures  
20 described in P.L. 31-12 shall apply to the expenditure of funds transferred by this

1 Act; and pursuant to P.L. 31-12, the extension of time for the obligation of funds  
2 shall be September 30, 2012.

3 **SECTION 4. Severability.** If any provision of this law is found to be  
4 invalid or contrary to law, such invalidity shall not affect other provisions or  
5 applications of this law which can be given effect without the invalid provision and  
6 to this end the provisions of this law are severable.